

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE LAKE VILLAGE WATER)
ASSOCIATION, INC. EMER-) CASE NO. 8514
GENCY TEMPORARY RATE)
INCREASE)

O R D E R

On May 7, 1982, Lake Village Water Association, Inc., ("Lake Village") filed with the Commission its notice of a temporary 10 percent surcharge to be imposed on customer bills effective June 1, 1982. The proposed surcharge would produce revenues of approximately \$19,000 annually. By Commission Order, the effective date of the proposed surcharge was suspended until November 1, 1982, pursuant to KRS 278.190.

On June 7, 1982, Lake Village filed a motion requesting that the Commission enter an emergency Order at the conclusion of the hearing scheduled June 17, 1982, permitting it to impose the surcharge immediately. Lake Village owes the city \$17,618.33 to date plus 10 percent interest accruing on the remaining unpaid balance, for penalties incurred for exceeding the maximum 6 million gallon purchase limit allowed by contract between the two parties. Lake Village, by Order of the Boyle Circuit Court dated May 4, 1982, is required to pay to the City of Danville

("City") amounts equal to \$1,000 principal plus 10 percent interest on the unpaid balance in monthly installments commencing June 1, 1982.

A hearing was held at the Commission's offices in Frankfort, Kentucky on June 17, 1982. There were no intervenors.

SUMMARY

The Commission, after consideration of the evidence of record, finds that:

1) Based on the financial condition of Lake Village, an emergency exists.

2) Lake Village's operations will be materially impaired unless a surcharge is granted.

3) Lake Village should file with this Commission copies of cancelled checks showing the monthly payments to the City and, when final payment has been made, certification from the City that the penalties have been paid in full.

IT IS THEREFORE ORDERED that the surcharge in Appendix A is hereby approved effective as of June 17, 1982, until such time as the penalties to the City of Danville have been paid in full.

IT IS FURTHER ORDERED that Lake Village shall furnish the Commission within 10 days from the date of this Order its revised tariff sheet setting forth the temporary surcharge approved herein.

IT IS FURTHER ORDERED that Lake Village shall file with the Commission copies of cancelled checks showing monthly payments to the City and certification from the City stating that the entire amount of the penalty has been paid.

Done at Frankfort, Kentucky, this 22nd day of June, 1982.

PUBLIC SERVICE COMMISSION

Marlin M. Voth
Chairman

Katherine Randall
Vice Chairman

Don Carrigan
Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8514 DATED JUNE 22,
1982

The following rates and charges are prescribed for all customers in the area served by Lake Village Water Association, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect prior to the date of this Order.

RATES: Monthly

First	1,000 gallons	\$7.45 Minimum Bill
Next	2,000 gallons	2.80 per 1,000 gallons
Next	2,000 gallons	2.20 per 1,000 gallons
Next	5,000 gallons	1.55 per 1,000 gallons
Over	10,000 gallons	1.25 per 1,000 gallons

There shall be an emergency temporary surcharge of 10 percent per month upon the basic monthly bill.